



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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April 2, 2008

MEMO ENDORSED

Via Federal Express

The Honorable Gerard E. Lynch
United States District Judge
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street, Room 910
New York, NY 10007

USDC SDNY DOCUMENT ELECTRONICALLY FILED DOC #: DATE FILED: 4/4/08	RECEIVED APR 3 2008 CLERK OF COURT
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Re: SEC v. Morris Gad and Nathan Rosenblatt; 07-CV-8385 (GEL)

Dear Judge Lynch:

Plaintiff Securities and Exchange Commission respectfully submits this letter to advise the Court that a settlement in principle has been reached between counsel for the Commission and Defendant Nathan Rosenblatt and to request, on behalf of both parties, a stay of discovery for sixty (60) days so that the settlement can be reviewed by the Commission.

The parties have agreed in principle to the terms of a settlement that would resolve all issues against the remaining defendant in this case. However, counsel for the Commission is required to obtain approval by the Commission of the proposed settlement. While counsel for the Commission will endeavor to expedite the internal review process, we request that in order to accommodate this process, the Court stay discovery for sixty (60) days. Mr. Fitzpatrick, counsel for Defendant Rosenblatt, has advised us that he joins in our request. *JK*

Respectfully submitted,

Valerie A. Szczepanik
Valerie A. Szczepanik
Senior Trial Counsel

cc: Thomas Fitzpatrick, Esq.

Gerard E. Lynch
*SO ORDERED
GERARD E. LYNCH, U.S.D.J.
4/4/08